

**CITY COUNCIL OF THE CITY OF SAN DIEGO  
SUPPLEMENTAL DOCKET NUMBER 1  
FOR THE REGULAR MEETING OF  
MONDAY, OCTOBER 28, 2002**

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**ADOPTION AGENDA, CONSENT ITEMS  
RESOLUTIONS:**

\*ITEM-S400: Consultant Agreement with Black & Veatch for Otay 2<sup>nd</sup> Pipeline Improvements (Cast Iron Replacement Phase).

(See memorandum from Larry Gardner dated 9/12/2002. Greater North Park, Mid-City Community Areas. Districts-3 and 7.)

**CITY MANAGER'S RECOMMENDATION:**

Adopt the following resolution:

(R-2003-538)

Authorizing the City Manager to enter into a phase funded agreement with Black & Veatch Corporation in the amount of \$1,444,100, for design and construction support services for the Otay 2<sup>nd</sup> Pipeline Improvements (Cast Iron Replacement Phase);

Authorizing the City Manager to execute Phase I of the Agreement with Black & Veatch Corporation in the amount of \$1,004,204;

Authorizing the expenditure of an amount not to exceed \$1,954,100 from Water Fund 41500, CIP-73-286.0, provided that the City Auditor and Comptroller first furnishes one or more certificates demonstrating that the funds necessary for expenditure under established contract funding phases are, or will be, on deposit in the City Treasury;

Authorizing the City Auditor and Comptroller, upon advice from the administering department, to transfer excess budgeted funds, if any, to the appropriate reserves.

**NATURAL RESOURCES AND CULTURE COMMITTEE'S  
RECOMMENDATION:**

On 9/18/2002, NR&C voted 3 to 0 to approve. (Councilmembers Wear, Frye, and Madaffer voted yea. Councilmembers Peters and Inzunza not present.)

ADOPTION AGENDA, CONSENT ITEMS (Continued)  
RESOLUTIONS:

\*ITEM-S400: (Continued)

**CITY MANAGER SUPPORTING INFORMATION:**

The Otay 2<sup>nd</sup> Pipeline, completed in 1929, is one of the City's oldest water transmission pipelines. Originally, it conveyed water from the Otay Water Treatment Plant to the University Heights area of San Diego approximately 19 miles north. Today, the pipeline is still used to convey water north and south between the Alvarado & Otay Water Treatment Plants service areas.

Based on the results of recent studies evaluating the pipeline hydraulic capacity and condition, some pipeline portions are in need of replacement. Subsequently, a phased program of pipeline improvements and alignment changes was developed. In this project phase, a portion of the 72 year-old cast iron pipe will be replaced with a new 48-inch diameter steel pipeline. The scope of services includes the design for replacement of approximately one mile of existing 36-inch cast iron pipe with new 48-inch and 54-inch welded steel pipeline along Highland Avenue and Wightman Street, including the connections to existing pipelines. In addition, the design will provide for a new welded steel pipeline in 54<sup>th</sup> Street directly to connect the Mid-City and Trojan Pipelines to the Otay 2<sup>nd</sup> Pipeline system.

A Selection Panel was convened to interview six design consultants for the Otay 2<sup>nd</sup> Pipeline Improvements - Cast Iron Replacements Phase, which resulted in the selection of Black & Veatch Corporation as the most qualified firm to provide the required professional service. The engineering services will be provided for a total not-to-exceed amount of \$1,444,100. The consultant has teamed up with other firms and 23% of the contract utilizes Certified Business Enterprises. The agreement with Black & Veatch Corporation is separated into two funding phases to conform to CIP budget constraints.

In accordance with mandatory dates established by the California Department of Health Services (DHS) Compliance Order No. 04-14-96-022, design must be completed by December 2004.

**FISCAL IMPACT:**

The total estimated cost is \$1,954,100. Funding of Phase I in the amount of \$1,165,213 is available from Water Fund 41500, CIP-73-286.6, Otay 2<sup>nd</sup> Pipeline Improvements (Cast Iron Replacement Phase).

Mendes/Gardner/KP

Aud. Cert. 2300405.

ADOPTION AGENDA, CONSENT ITEMS (Continued)  
RESOLUTIONS:

\*ITEM-S401: Insurance Premiums for the Water CIP Owner Controlled Insurance Program.

(See memorandum from Larry Gardner dated 10/3/2002.)

**TODAY'S ACTION IS:**

Adopt the following resolution:

(R-2003-552)

Authorizing an increase of an amount not to exceed \$86,494 of insurance premiums to be paid through Robert F. Driver Co., broker of record for the Water Department CIP Owner Controlled Insurance Program, for builder's risk insurance to supplement Resolution R-294235 adopted on November 20, 2000, provided that the City Auditor first furnishes one or more certificates certifying that funds are, or will be, on deposit with the City Treasurer;

Authorizing the City Auditor and Comptroller to transfer \$389,412 from Water Fund 41500, CIP-73-277.0, Annual Allocation for Standpipe & Reservoir Rehabilitations to Water Fund 41500 as follows:

CIP-73-261.0, Alvarado Water Treatment Plant Upgrade & Expansion Phase I, in the amount of \$137,067;

CIP-73-341.0, Black Mountain Road Pipelines (Potable Segment), in the amount of \$137,066;

CIP-70-954.0, North City Reclamation System (Black Mountain Road Pipelines - Reclaimed Segment) in the amount of \$75,988;

CIP-73-284.0, Miramar Water Treatment Plant Upgrade & Expansion (Early Start Improvements Phase I), in the amount of \$35,047;

CIP-70-920.0, Bonita Pipeline Phase I, in the amount of \$3,894;

CIP-70-949.0, Annual Allocation - Reclaimed Water Extensions (Copley Drive Reclaimed Water Line), in the amount of \$350;

ADOPTION AGENDA, CONSENT ITEMS (Continued)  
RESOLUTIONS:

\*ITEM-S401: (Continued)

Authorizing the City Auditor and Comptroller to expend \$389,412 from Water Fund 41500 as follows:

CIP-73-261.0, Alvarado Water Treatment Plant Upgrade & Expansion Phase I, in the amount of \$137,067;

CIP-73-341.0, Black Mountain Road Pipelines (Potable Segment), in the amount of \$137,066;

CIP-70-954.0, North City Reclamation System (Black Mountain Road Pipelines - Reclaimed Segment), in the amount of \$75,988;

CIP-73-284.0, Miramar Water Treatment Plant Upgrade & Expansion (Early Start Improvements Phase I), in the amount of \$35,047;

CIP-70-920.0, Bonita Pipeline Phase I, in the amount of \$3,894;

CIP-70-949.0, Annual Allocation - Reclaimed Water Extensions (Copley Drive Reclaimed Water Line), in the amount of \$350;

for the continuation of the worker's compensation, general liability and builders risk insurance, provided the City Auditor first furnishes one, or more, certificates certifying that funds are, or will be, on deposit with the City Treasurer;

Authorizing the City Auditor and Comptroller, upon advice from the administering department to transfer excess budgeted funds, if any, to the appropriate reserves.

**NATURAL RESOURCES AND CULTURE COMMITTEE'S RECOMMENDATION:**

On 10/9/2002, NR&C voted 5 to 0 to approve. (Councilmembers Peters, Wear, Frye, Madaffer and Inzunza voted yea.)

ADOPTION AGENDA, CONSENT ITEMS (Continued)  
RESOLUTIONS:

\*ITEM-S401: (Continued)

**CITY MANAGER SUPPORTING INFORMATION:**

In 1998 the City Council adopted Resolution R-290765 authorizing the Water Department to institute an Owner's Controlled Insurance Program (OCIP) for its capital improvements program (CIP). The OCIP provides a centralized insurance program for all capital projects rather than having each contractor provide their own insurance. The coverages provided include Workers Compensation, General Liability, Builders Risk and Excess Liability.

On November 20, 2000 City Council authorized continuation of this program and the payment of related premiums. The Builder's Risk insurance premium authorized by this action was \$430,038. A subsequent audit of premiums under the Builder's Risk insurance showed a higher value of capital projects being worked on than was anticipated when the premiums were first calculated making it necessary to increase the premium authorization by \$86,494. It is anticipated that future audits may reduce the premium obligation, but this additional authorization is necessary at this time to ensure that premium payments can be made in a timely manner.

The request for increased expenditures from specified capital projects results from the City's agreement with Traveler's Insurance Company to phase out the Worker's Compensation and General Liability insurance coverage under its Owner Controlled Insurance Program. Since new capital projects have not been added to the coverage to share the cost, those projects still covered have to pick up more cost than previously anticipated. Therefore, it is necessary to authorize additional expenditures from those projects until this coverage lapses in January 2003.

The affected projects are:

CIP-73-261.0, Alvarado Water Treatment Plant Upgrade & Expansion Phase I, in the amount of \$137,067;

CIP-73-341.0, Black Mountain Road Pipelines (Potable Segment), in the amount of \$137,066;

CIP-70-954.0, North City Reclamation System (Black Mountain Road Pipelines - Reclaimed Segment) in the amount of \$75,988;

ADOPTION AGENDA, CONSENT ITEMS (Continued)  
RESOLUTIONS:

\*ITEM-S401: (Continued)

CIP-73-284.0, Miramar Water Treatment Plant Upgrade & Expansion (Early Start Improvements Phase I), in the amount of \$35,047;

CIP-70-920.0, Bonita Pipeline Phase I, in the amount of \$3,894;

CIP-70-949.0, Annual Allocation - Reclaimed Water Extensions (Copley Drive Reclaimed Water Line), in the amount of \$350.

**FISCAL IMPACT:**

Funds in the amount of \$389,412 are available in Water Fund 41500.

Mendes/Gardner/MAS

Aud. Cert. 2300429.

ADOPTION AGENDA, CONSENT ITEMS (Continued)  
RESOLUTIONS:

\*ITEM-S402: Transfer of Funds - Tecolote Nature Center Expansion.

(Clairemont Community Area. District-6.)

**CITY MANAGER'S RECOMMENDATION:**

Adopt the following resolution:

(R-2003-518)

Amending the Fiscal Year 2002 Capital Improvement Program Budget by increasing CIP-29-488.0, Tecolote Nature Center Expansion, by \$90,000 for park improvements;

Authorizing the expenditure of an amount not to exceed \$90,000 from Park Bond Funds, Fund No. 38165, for CIP-29-488.0, Tecolote Nature Center Expansion, upon receipt of a fully executed grant.

**CITY MANAGER SUPPORTING INFORMATION:**

Tecolote Nature Center is located at the eastern end of Tecolote Road. This project expansion will provide for an additional 2,400 sq. ft. and enhance 800 sq. ft. of the existing courtyard.

In March 2000, California voters approved the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Act of 2000 (2000 Park Bond). On August 15, 2000, City Council adopted Resolution R-293698 authorizing the City Manager to secure grant funding under the 2000 Park Bond, including a \$155,000 grant for improvements at the Tecolote Nature Center. The City Manager has secured 2000 Park Bond funds and has entered in a grant contract for Park Bond Per Capita and Robert-Z'berg Harris Per Capita funds. Based on community's input and final design plans an additional \$90,000 is required to complete this project.

The current action will allocate an additional \$90,000 in 2000 Park Bond to the Tecolote Nature Center. This action represents a reallocation of Park Bond Per Capita funds among Council District 6 projects, rather than any new funding.

ADOPTION AGENDA, CONSENT ITEMS (Continued)  
RESOLUTIONS:

\*ITEM-S402: (Continued)

**FISCAL IMPACT:**

The estimated project cost is \$595,000 of which \$505,000 has been previously approved. The remaining funds (\$90,000) are available in CIP-29-488.0, Tecolote Nature Center Expansion, Fund No. 30244.

Loveland/Belock/AO

Aud. Cert. 2300385.



**PUBLIC NOTICES:**

Items are listed under Public Notice as a matter of public record only. These items do not require Council action and there is no public testimony.

**ITEM-S403: Notice of Pending Final Map Approval - Montecito.**

Notice is hereby given that the City Engineer has reviewed and will approve on this day the subdivision of land shown on that certain final map entitled "Montecito", a copy of which is available for public viewing at the office of the San Diego City Clerk. Said project is located in the Military Facilities Reserve Community Plan area south of Scripps Poway Parkway easterly of Pomerado Road in Council District 7. Specifically, the City Engineer has caused the map to be examined and has made the following findings:

- (1) The map substantially conforms to the approved tentative map, and any approved alterations thereof and any conditions of approval imposed with said tentative map.
- (2) The map complies with the provisions of the Subdivision Map Act and any local ordinances applicable at the time of approval of the tentative map.
- (3) The map is technically correct.

Said map will be finalized and recorded unless a valid appeal is filed. Interested parties will have 10 calendar days from the date of this Council hearing to appeal the above findings of the City Engineer to the City Council. A valid appeal must be filed with the City Clerk no later than 2:00 p.m., 10 calendar days from the date of this notice stating briefly which of the above findings made by the City Engineer was improper or incorrect and the basis for that conclusion. If you have questions about the approval findings or need additional information about the map or your appeal rights, please feel free to contact Deputy City Engineer Lee Hennes at (619) 446-5291.

**PUBLIC NOTICES:** (Continued)

Items are listed under Public Notice as a matter of public record only. These items do not require Council action and there is no public testimony.

ITEM-S404: Settlement of the Property Damage Claim of Dana Horne.

(R-2003-568)

Adopted as Resolution R-297229.

A Resolution approved by the City Council in Closed Session on Tuesday, October 22, 2002, by the following vote: Peters-yea; Wear-yea; Atkins-yea; Stevens-not present; Maienschein-yea; Frye-yea; Madaffer-yea; Inzunza-yea; Mayor-yea.

Authorizing the City Manager to pay the total sum of \$493,759.85 in the settlement of each and every claim against the City, its agents and employees, resulting from the property damage to the split level residence located at 5639 Desert View Drive, in the Mount Soledad area of La Jolla, as a result of an extensive sewer backup on October 28, 2000 (Superior Court Case No. GIC775530, Dana Horne, et al. v. City of San Diego);

Authorizing the City Auditor and Comptroller to issue two checks in the following amounts: (1) \$375,000 made payable to Dana Horne and Joseph Masaveg in care of their attorneys, John W. Wood, Esq., and Shirley J. Wood, 7825 Fay Avenue, Suite 200, La Jolla, California, 92037, in full settlement of all claims; and (2) \$118,759.85 made payable to Luth & Turley, Inc., 1350 Hill Street, Suite A, El Cajon, California, 92020, for previously completed repair and cleanup of the aforementioned property.

**CITY MANAGER SUPPORTING INFORMATION:**

This constitutes the complete and final settlement of the property damage claim of Dana Horne against the City of San Diego, its agents and employees, as a result of an accident which occurred on October 28, 2000.

Lexin/Lopez/MAG

Aud. Certs. 2300445 and 2300446.

**NOTE:** This item is placed on a Council docket, so that the official and public record will reflect the adoption of this Resolution. It does not require any further Council action.